



NCB DECEMBER 2023 DISTRIBUTION

MECHANICAL ONLINE IN THE US

This distribution includes mechanical online use in the US from the MLC for February 2023 up until June 2023.

NCB have entered an agreement with the American music company The MLC from January 1, 2021. The MLC collect mechanical online use in the US directly from the American audio providers (audio DSPs) on behalf of NCB in the US.

YOUTUBE IN THE US

This distribution also includes mechanical royalties from YouTube in the US until Q2 2023, which have not already been collected directly by a publisher in the US.

These amounts are shown per work and will not be shown with number of streams on the statement for this use. The text for these amounts is shown on NCB's Distribution Statement as: YouTube USA. NCB have entered a new agreement with the American music company ORFIUM since February 1, 2021, replacing the agreement with MUSERK for YouTube in the US. NCB has received royalties from YouTube from Q2 2021 and onwards from ORFIUM.

LUMPSUMS ARE ALSO DISTRIBUTED FOR

- · Royalties that could not be distributed from affiliates abroad.
- · Royalties that could not be distributed for June 2019 (all collection areas).

NCB normally carries out distributions to its members twice a year, in June and December

SEARCHING FOR MORE INFORMATION ABOUT NCB'S DISTRIBUTIONS

In October 2015 NCB switched to a new work database (ICE); this means that you can only conduct searches in the NCB distributions made from December 2015 and onwards. Album & Track Search allows you to form an overview of the music published through the years. The database includes music which has been published on audio and audio-visual media in the Nordic and Baltic countries. (Music with a license from NCB). The database contains music published on physical media and electronically. You can search by album and/or by track.

NCB FOREIGN

NCB have experienced an increase in the foreign income over the recent years.

The increase of the foreign income is mainly due to the agreement NCB has with the MLC in the US for mechanical online use in the US.

We are expecting the income of the foreign collections around the world to increase in the future.



NCB - SYNC

The Nordic TV and film markets are feeling the effects of the financial downturn in the Nordic countries. Some broadcasters have stopped commissioning new TV productions, and some have decreased their use of commercial music.

With this instability in mind, we have been focused on our larger broadcaster agreements, which secures the sync income and makes using music easier for broadcasters. Beyond the regular licensing of Nordic TV and film productions, this distribution also includes the earnings made accessible through the new sync agreement with DR. We've succeeded in basing the allocation on the exact type of use and number of seconds used.

The licensing team has also made a major effort to stay in close contact with the Nordic production market. We have visited many production companies in Norway, Sweden, Denmark and Finland, as well as film schools in Denmark and Norway. We have also kept up with the market at conferences such as Copenhagen TV festival, THIS in Aarhus and Vill Vill Vest in Bergen.

NCB - Work-by-Work

At the moment, we are experiencing fluctuations in the production of physical releases. However, vinyl records, CDs, cassette tapes, etc., are still being produced. When registering music releases on physical media, producers without a standard agreement with NCB must register and pay for these through our web application. Currently, we are putting a lot of energy and effort into adjusting the user interface of the web application to simplify the registration process. We have been really pleased with the feedback from producers throughout the year when they encounter challenges or issues with this process. In this way, we have gained insight into the parameters we can improve. We hope that this will make it easier and more optimal for our producers to use NCBs web application in the future.

NCB - STANDARD CONTRACT PARTNERS

For many years, the physical music market in the Nordic countries has been declining consistently. Despite vinyl records having made a major comeback, they are still far from their glory days in the 1970s. Since then, the Nordic countries have seen a surge in the popularity of streaming services. Therefore, many of NCB's standard contracts partners no longer hold a size where NCB is in a position to maintain their standard contracts. In the past five years alone, more than 60% of the standard contracts has been terminated. As an option, NCB introduced an optimal model for the terminations, based on the feedback from the producers, called an Inventory Sales Agreement. The new Inventory Sales Agreement is simpler and less expensive for both NCB and the producer than the current Audio Standard Contract. It provides an alternative to work-by-work conditions (advance payment of mechanical royalties for the entire production) for the current, rather large, unpaid stock of sound carriers. After examining the sales figures and number of new releases of the current standard contract partners, everything points to the fact that more will switch to the new agreement.

IF YOUR MUSIC IS PUBLISHED ABROAD (OUTSIDE THE NORDIC COUNTRIES)

Always inform your local rights management society if your music is published abroad. That makes it easier for us to ensure that our affiliates abroad collect the money you are due. NCB needs the following information:

- · The title of the release
- · The catalogue number of the release
- · The title of your music (song)
- · The name and address of the record company/producer (e-mail)
- · Release date
- · Country of sales
- · Artist of the release

Please note that funds collected abroad can take a long time before reaching you. The exact length of time depends on how quickly the relevant society sends the money and documentation to NCB.

CHECK YOUR NCB DISTRIBUTION

We encourage you to carefully check your NCB distribution specification and to compare it to your past distributions. If you have any questions or complaints about your NCB distribution, please contact your local society.

Please note that NCB may occasionally make erroneous distributions. NCB reserves the right to retroactively adjust such erroneous distributions. In such cases, we will request any erroneous excess distributions to be returned to us – or offset them against your next distribution. To avoid this, please remember to check whether you have received distributions for music you did not write, or whether you have received larger sums than expected. Some of the information on your specification is very useful when checking the accuracy of your distribution. For example, check whether the information on cover titles, artist and sales figures is correct – including whether the sales listed are greater than you expected. Please contact us/your local society if you have any questions.



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